

**Michigan State Housing Development Authority
Michigan's Housing and Community Development Fund
2008 Allocation Plan
June 2008**

General Information:

The Michigan State Housing Development Authority Act of 1966, Act 346 of 1966, Part 125.1458a Michigan Housing and Community Development Fund (the "Fund") charges MSHDA with creating and implementing the Michigan Housing and Community development program for the purpose of developing and coordinating public and private resources to meet the affordable housing needs of low income, very low income, and extremely low income households and to revitalize downtown areas in Michigan.

Allocation of Funds:

MSHDA is required to develop an annual plan providing for a formula allocation of the Fund based on the number of persons experiencing poverty and housing distress in various regions of the state. The 2008 formula allocation relates housing need data by urban and rural areas. The formula includes data on the share of population, cost burden, and poverty by urban and rural areas. All data is from the 2000 census.

The 2008 allocation is \$2,163,400. The formula allocation is as follows:

AREA	FORMULA %	FORMULA AMOUNT
Rural (Rural + Small Town)	25%	\$ 540,850
Urban (Fringe + Urban)	75%	\$1,622,550

A formula based map identifying rural and urban areas is available at MSHDA's website at www.michigan.gov/mshda.

Populations Served

Populations served must be at or below 60% Area Median Income.

Preferences

Based on the applications received, the Authority shall expend:

- Not less than 25% of the fund for rental housing projects that do not qualify under preferences for special population groups, geographic preferences, or other preferences detailed in this Allocation Plan.
- Not less than 30% of the fund for projects that target extremely low income households (30% AMI and below) and include at a minimum both of the following activities:
 - i. Developing housing for the homeless, transitional housing, and permanent housing.
 - ii. Providing security deposits, supportive services, and technical assistance to eligible applicants.

- A portion of the fund for housing for special needs populations including, but not limited to, the homeless, and persons with physical or mental handicaps.

Contact Mary Cook at 517-241-3681 with any questions.